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House Bill 694 – Medical Bill Reimbursement Health and Government Operations Committee – March 2, 2022 SUPPORT

Thank you for this opportunity to submit written testimony concerning an important priority of the **Montgomery County Women's Democratic Club** (WDC) for the 2022 legislative session. WDC is one of the largest and most active Democratic Clubs in our County with hundreds of politically active women and men, including many elected officials.

WDC urges the passage of HB694. This bill requires that the Health Services Cost Review Commission (HSCRC), Office of the Comptroller and Department of Human Services develop a process for **identifying** and **informing** patients that they qualify for reimbursement from hospitals who took money from them even though they were eligible for free care.

Women and children who live below 200% of the poverty level are especially negatively impacted when they are forced to pay a hospital bill that they cannot afford to pay. The HSCRC report dated February 2021determined that approximately 60% of uncompensated care charges are attributable to individuals with a household income under 200% of the federal poverty level. But hospitals are reporting this as bad debt rather than uncompensated (free) care. Hospitals are required to provide free care to patients below this income level. Approximately 1% of total hospital charges to individuals who likely qualify for free care are paid by those individuals who were pursued by hospitals via debt collectors and lawsuits. Best estimates are that this represented \$60 million from each year from 2017-2018 that free-care eligible patients paid toward their bills. This bill would help rectify this situation by requiring hospitals to reimburse patients who have made claims.

This bill does not require hospitals to pay damages. It simply requires them to return funds paid by low-income patients who should never have been billed in the first place. This is a reasonable requirement.

The Women's Democratic Club of Montgomery County strongly urges support of HB694 and urges a favorable Committee report WITH NO AMENDMENTS.

Respectfully,

Leslie Milano President